

SECTION 6
CHAPTER 1
AUDIT REPORTS ISSUED BY
THE GOVERNMENT ACCOUNTABILITY OFFICE
(GAO)

This chapter discusses the Department's responsibilities associated with audit follow-up in connection with audits issued GAO. The chapter provides information on the types of audits issued by GAO, the Department's role, the function of the Departmental Audit Follow-Up Official, the responsibility of the Office of Financial Management (PFM), responsibility of the program assistant secretary, the function of the audit liaison officer (ALO) at the program assistant secretary level, the responsibility of the audit liaison officer at the bureau level, and the responsibility of program staff.

Types of GAO Audits

GAO conducts two types of audits:

- Financial Audits - Financial audits include an examination of financial statements and financial related information and an audit opinion on whether the financial statements are fairly stated.
- Performance Audits - Performance audits are objective and systematic reviews which provide an independent assessment of the performance of a government function.

Although the objectives and scope of GAO's financial and performance audits differ, the term "audit" is used synonymously throughout this chapter for financial and performance audits.

In addition to performing audits, GAO also uses its auditors to develop questions for use at Congressional hearings, to perform other investigative work, and to develop methods or approaches which are applied in evaluating new and proposed programs. Additionally, GAO conducts a wide range of governmentwide surveys.